

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1893-05
Bill No.: HCS for SS for SCS for SB 476, 427, & 62
Subject: Elections: Appropriations
Type: Original
Date: May 9, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$125,000 to \$5,150,000)	(\$530,665 to at least \$8,990,665)	(\$138,911 to \$5,163,911)
Technology	\$1,093,125	\$2,186,250	\$2,186,250
Total Estimated Net Effect on <u>All</u> State Funds	\$968,125 to (\$4,056,875)	\$1,655,585 to at least (\$6,804,415)	\$2,047,339 to (\$2,977,661)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of Attorney General** assume no fiscal impact.

Officials of the **Kansas City Board of Election Commission** stated that the main fiscal impact with this proposal would be the costs of conducting early voting. Officials stated that early voting as envisioned could increase local costs in Kansas City by as much as \$20,000, possibly more. Officials stated costs would be driven by staffing and overtime. Officials estimate the costs of other requirements of this proposal, regulations, new posters at polls, multilingual forms, provisional ballots, etc. at approximately \$10,000.

Officials of the **Office of Secretary of State** assume they would need 2.0 FTE, a Grant Administrator and a Range 22 Investigator. Officials estimate costs for salary, fringe benefits, equipment and expenses which includes printing postcards, grant for election equipment, election judge pay to \$7 per hour. For 10 months of FY 2002 \$5,142,350; for FY 2003 \$5,226,484; and \$5,154,730 in FY 2004. Officials estimated that to increase election judges salaries to \$7 per hour would cost less than \$25,000 in even numbered years, and approximately \$100,000 in odd numbered years. The grant programs for election judges, and voting equipment are **subject to appropriation**.

Oversight assumes that fees to the Technology Trust Fund have been extended from 12-31-01 to 12-31-09, therefore, Oversight will show income to the Fund beginning for 6 months of FY 2002, FY 2003, and FY 2004.

Officials of the **Office of Administration** assumes that Section 115.062 refers to the State's proportional costs of Sections 115.065 and 115.157. The term "proportional costs" is defined in 115.065, but the definition does not include payments made to election authorities under Section 115.157. Nor does Section 115.157 directly require payment or address the State's cost. Section 115.065.4 does require, **subject to appropriation**, reimbursement to election authorities "for transactions submitted pursuant to the provisions of Section 115.157". The use of seemingly contradictory phrases when describing what the election authorities should receive from the state permits interpretations that could result in a wide range of costs. Therefore, it is unknown how these costs would be calculated. **Oversight will show fiscal impact as \$0 to (Unknown).**

Officials assume this proposal eliminates the need for funds paid, through the Office of Administration, for printing ballots in cases where only one person has filed for committeeman or committeewoman. Officials estimate that they would have had to provide \$205,000 in FY 2003 to pay the cost of producing ballots for elections when only one person files for committeeman or woman. Officials assume there would be a savings of \$205,000 to the State's General Revenue Fund in FY 2003. (Section 115.617)

ASSUMPTION (continued)

Officials assume there would be costs for the State associated with early voting. Officials estimated costs based on a newspaper article in the Columbian Missourian published on February 6, 2001. Officials estimate a range of \$600,000 to \$3,960,000. Officials estimate costs and savings would occur in FY 2003. Early Voting funding would be **subject to appropriation**.

Officials of the **Department of Revenue** assume the Customer Assistance Bureau manages operations in the driver license and motor vehicle registration field offices. The Customer Assistance Bureau will require additional funding for postage associated with more frequent mailing of voter registration applications to local election officials. The Customer Assistance Bureau assumes that the mailing would continue to be conducted as they are today. All applications collected in each office are mailed to the county election office of the county that the office is physically located in. In order to comply with this legislation and to take into consideration the wide array of office business hours of all the field offices, the Customer Assistance Bureau will require each license office to mail the applications twice per week. Currently, offices mail the applications once per week. Officials annual postage cost increase is estimated at \$8,736 in FY 2002, 2003, and 2004. Officials estimate annual forms cost increase at \$445.12. (Section 115.151)

Oversight assumes that counties would not have to initiate the program of early voting if the state does not appropriate funds to defray the costs

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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GENERAL REVENUE FUND

Cost to Secretary of State
 for:

Personal Service (2.0 FTE)	(\$64,114)	(\$78,860)	(\$80,831)
Fringe Benefits	(\$21,369)	(\$26,284)	(\$26,941)
Equipment	(\$15,200)	(\$740)	(\$740)
Expense:			
Printing postcards	(\$16,667)	(\$20,600)	(\$21,218)
Election Judges Compensation \$7 per hr.* (Section 115.101) *	\$0 to(\$25,000)	\$0 to (\$100,000)	\$0 to(\$25,000)
Grant/Election Equip (Section115.074) *	<u>\$0 to</u> <u>(\$5,000,000)</u>	<u>\$0 to</u> <u>(\$5,000,000)</u>	<u>\$0 to</u> <u>(\$5,000,000)</u>
Total costs to SOS *	(\$117,350 to \$5,142,350)	(\$126,484 to \$5,226,484)	(\$129,730 to \$5,154,730)

*** Subject to Appropriation**

Savings to Office of Administration
 (Section 115.617)

	\$0	\$205,000	\$0
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<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
Cost to Office of Administration (Section 115.126.3) "Early Voting"*	\$0	(\$600,000 to \$3,960,000)	\$0
Cost to Office of Administration (Section 115.062) "Proportional Election"*	<u>\$0</u>	\$0 to <u>(Unknown)</u>	<u>\$0</u>
Total cost to Office of Administration	<u>\$0</u>	<u>(\$395,000 to \$3,755,000 to Unknown)</u>	<u>\$0</u>
*Subject to Appropriation			
Cost to Department of Revenue Voter registration turnover			
Postage	(\$7,280)	(\$8,736)	(\$8,736)
Forms	(\$370)	(\$445)	(\$445)
Total costs to DOR (Sections 115.151 and 115.160)	<u>(\$7,650)</u>	<u>(\$9,181)</u>	<u>(\$9,181)</u>
<u>ESTIMATED NET EFFECT TO GENERAL REVENUE FUND</u>	<u>(\$125,000 to \$5,150,000)</u>	<u>(\$530,665 to at least \$8,990,665)</u>	<u>(\$138,911 to \$5,163,911)</u>

TECHNOLOGY TRUST FUND

(6 Mo.)

Income to Technology Trust Fund Extension of sunset date to 12-31-09	\$1,093,125	\$2,186,250	\$2,186,250
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<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
Estimated Net Effect to Local Government*	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

***Oversight assumes that the cost of any new program, or duty for local election authorities would be paid, subject to appropriation, by the State.**

FISCAL IMPACT - Small Business

Small businesses who would employ a person that would be an election judge would be

affected as a result of this proposal.

DESCRIPTION

This substitute makes numerous changes to the election laws. In its main provisions, the substitute:

- (1) Allows electronic voting systems to be certified for use in Missouri;
- (2) Allows independent and third party members to serve as election judges;
- (3) Upon appropriation, requires all election authorities to establish an advance voting period for all elections, which will begin 14 days before an election and end on the Wednesday immediately before an election. The election authority must establish and post the hours, dates, and locations for advance voting. Advance voting provisions terminate on August 28, 2006;
- (4) Requires voter registration agencies under the National Voter Registration Act to submit registration applications within 5 days of completion of the registration form;
- (5) Requires election authorities to accept absentee ballot applications by facsimile transmission;
- (6) Extends the Secretary of State's authority to collect Technology Trust Fund fees until December 31, 2009;
- (7) Clarifies voter registration provisions, including allowing closure of certain registration records if the voter's safety may be jeopardized by release of the records. Voter registration forms must be transmitted to election authorities no later than 5 business days after an applicant completes the form; and
- (8) Requires the Secretary of State to set statewide uniform counting standards.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue

WB:LR:OD (12/00)

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Office of Administration
Secretary of State
Office of Attorney General
Kansas City Board of Election Commissioners

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is cursive and somewhat stylized, with the first name being more prominent.

Jeanne Jarrett, CPA
Director
May 9, 2001